

HOUSE BILL 579
By Towns

AN ACT to amend Tennessee Code Annotated, Title 47,
Chapter 18 and Title 56, relative to insurance
rates.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 2, Part 1, is amended by
adding the following language as a new section to be designated as follows:

56-2-125.

(a) No insurance company doing business in this state shall charge a higher
premium than would otherwise be charged, or cancel, nonrenew or decline to issue any
policy or coverage based primarily upon an individual's credit rating or credit history.

(b) As used in this section, "based primarily" means that the weight given by the
insurer to an individual's credit rating or credit history exceeds the weight given by the
insurer to all other criteria considered in making the decision to charge a higher premium
or to cancel, nonrenew or decline to issue an insurance policy.

SECTION 2. This act shall take effect July 1, 2005, the public welfare requiring it.